



Proper Protection, *Construction Today*, ft. Andrew Richards

A contract provision could be a general contractor's best friend.

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There are many times when a general contractor finds itself in a situation where contractual provisions put it in inconsistent positions against the owner and one of its subcontractors. By protecting itself with proper contract provisions, the general contractor can limit its exposure to a subcontractor in the event there is a dispute between the general contractor and the owner concerning the same subject matter as the dispute between the general contractor and the subcontractor.

A common, yet frequently overlooked, cause of increased project and construction costs occurs when there is a conflict or inconsistency between the terms of the prime contract and subcontract. In an effort to avoid conflicting or inconsistent contractual terms, general contractors often attempt to bind its subcontractors to certain key terms set forth in the prime contract, such as terms concerning payment, procedures for seeking payment for extra work, damages and dispute resolution.